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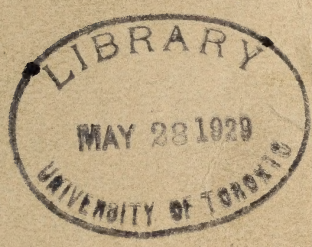
Income Tax




THE
INCOME
TAX

AND
THE INDIVIDUAL

1919



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BANK OF MONTREAL
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THE
INCOME TAX
AND
THE INDIVIDUAL

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*An Explanation of
the Law as it affects
very large numbers
of people in Canada*

BANK OF MONTREAL

OCTOBER, 1919

THE
INCOME TAX
AND
THE INDIVIDUAL

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the Law and its effect
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*N*OT merely persons of wealth are affected by the Income Tax Law of the Dominion of Canada, but also those in Canada who, under certain conditions, have an income in excess of one thousand dollars a year.

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*T*HE Bank of Montreal has had this booklet prepared for the benefit of those who wish a handy reference on how to compute their Income Tax. In it will be found in question and answer form such information as can be brought within the scope of a publication of this size. The answers given were carefully worked out from the Act and from rulings of the Commissioner of Taxation, but the Bank does not make itself responsible for the absolute correctness of all the contents of the booklet.

THE INCOME TAX AND THE INDIVIDUAL

GENERAL INFORMATION

WHAT is the Federal Income Tax?

It is a tax levied, roughly speaking, upon all single persons receiving more than \$1,000 per annum income, and all married persons receiving more than \$2,000 per annum—with notable exceptions as set forth hereinafter.

Why is this tax levied?

In order to supplement the revenues of the Dominion of Canada and meet the heavy obligations incurred by the country during the war.

On whom is the tax levied?

(1) Upon every person's income—during the preceding year—if he has resided in Canada for six months or more, of such year, or who, having been a resident, has left with the intention of resuming residence in Canada; (2) or who is employed in Canada; (3) or carrying on any business in Canada.

What steps should be taken to pay the tax?

First: Obtain, before April 30th of the year following the year in which the income was received, a form from the Local Inspector of Taxation.

Second: Answer the questions.

Third: Post the form as directed in instructions thereon.

Over what period is the income calculated?

Over the ordinary calendar year.

When is the amount of the tax payable?

Within one month from the date on which the income tax inspector's office mails you your assess-

ment based upon the facts you have supplied on the form referred to above.

How is the remittance made?

By certified cheque, draft, or money order, or by payment of the necessary sum to the Local Inspector of Taxation.

To whom should remittances be made payable?

To the Receiver General of Canada.

To whom should remittance be posted?

To the Local Inspector of Taxation.

In case of doubt as to amount on which I must pay the tax, to whom should application be made?

To the Local Inspector of Taxation.

If I feel that I have been taxed on too much, and if I wish to protest, what do I do?

Serve notice in writing to the Minister of Finance, Ottawa.

How much time is allowed to make an appeal?

Twenty days after the date of the mailing of the notice of assessment from the Tax Inspector's office.

If an appeal is made does this bring out all one's private affairs in court?

No. Hearing will be held in closed court if requested by the taxpayer.

If I fail to make any report of my income, what is the penalty?

The penalty is 25% of the amount of tax payable, in addition to the proper tax.

If I were to make a false return?

The penalty is a fine not to exceed \$10,000, or six months imprisonment, or both.

If I fail to pay the tax within the time specified after notice of assessment?

You will, in that case, pay a penalty of 5% of the amount of the tax, and in addition 1% per month for each additional month or portion of a month during which the tax and the penalty remain unpaid.

Is there any danger of the information given by me in connection with my income becoming public property?

No. Severe penalties imposed by the Law restrain those handling your return, or other papers, from breaking confidence.

SPECIAL CASES

WHAT about the income of an estate?

The income of an estate is not taxed as such. Each beneficiary must make his return to the Government if his revenue from the estate and other sources is high enough to bring him within the scope of this Act. Executors and trustees of estates and trusts are bound by the act to report to the Commissioner of Taxation all income collected by them, the names and addresses of beneficiaries and the amounts paid to each. The Commissioner will thus be in a position to see that all beneficiaries so reported make their own individual tax returns.

Does a partnership pay an income tax?

No. It is levied against the partners as individuals.

What income taxes do companies pay under the Act?

Corporations and Joint Stock Companies, no matter how they were created or organized, pay a tax of 10% upon income exceeding \$2,000 per annum. It must be borne in mind, however, that the Business Profits War Tax Act is still in force. It is understood that companies will therefore have

to make a return under that act as well as under the Income Tax Act herein referred to. They will have to pay, however, only the greater of the two amounts shown as due by them under these two separate Acts.

CALCULATING YOUR TAXABLE INCOME

W*HAT percentage of my Total Income does the tax take?*

There are three kinds of tax under this Act:

- 1st. The 4% Normal Tax.
- 2nd. The 8% Normal Tax.
- 3rd. The Surtax.

Do I pay all three of these taxes?

Not unless your income reaches certain figures.

How do I know which of these taxes I am to pay, or whether I must pay all of them?

This depends (1) on the amount of your 4% Normal Taxable Income, (2) on the amount of your 8% Normal Taxable Income, and (3) on the amount of your Surtaxable Income.

Then there are three separate bases for calculating the three separate taxes?

Yes, but all three of these bases, that is, the 4% Normal Taxable Income, the 8% Normal Taxable Income, and the Surtaxable Income, are just slight variations from what is called your Nett Income. This Nett Income is the foundation of all your calculations. If you keep this central fact in mind it will simplify the problem of your Income Tax.

YOUR NETT INCOME

H*OW do I arrive at this fundamental—my Nett Income?*

To calculate your Nett Income proceed as follows:

Add together all Revenues you have received during the year.

Now take away from this sum two other sums:

First; the sum of certain *revenues* which are exempted from taxation by the Act.

Second; the sum of certain *expenditures* which under the Act you are allowed to deduct from your total income.

But what are the revenues that I may deduct from my total income in calculating my Nett Income?

These revenues are as follows:

(a) Interest on Canadian Government War Loan Bonds issued with the provision that they will not be taxed.

(b) Army or Navy pay, whether from the Canadian Government, or from the Government of any country allied with Canada during the Great War.

(c) Pensions granted to any member of His Majesty's military, naval or air forces for disabilities suffered during the Great War, and pensions to the dependents of a killed or disabled soldier from His Majesty's military, naval or air forces. *But* pensions paid by other Governments, including the Governments of countries allied with His Majesty in the war commencing in August 1914, are *not* exempt but *are* subject to tax.

(d) Money made by speculation outside of the ordinary course of the taxpayer's business, as for example, by buying property, commodities, or securities at a low price and selling same at a higher price. This exemption cannot be claimed by persons buying or selling in the ordinary course of a speculative business.

The interest, or other earnings of such money is *not* exempted. It forms part of your nett income. But where you include such revenue as from rents you are entitled to show a deduction for any taxes, insurance, repairs, etc., which you may have paid in the meantime; or in the case of stocks or bonds, for which you may not have paid completely, and for which you are paying carrying charges to your bank or broker, you may show a deduction on this account.

(e) Rent, theoretically allowed to yourself if you are an owner living in your own house, is not to be calculated as income. If you have counted that as part of your total revenue, strike it out. But on such a house you cannot claim the benefit of the paragraph (a) below, that is, you must not deduct from your *nett* income your cost for taxes, insurance, repairs, and depreciation, as is otherwise allowed. (See below and page 13).

(f) Legacies from estates or gifts. These are not to be included as part of your Nett Income, but the interest or other earnings, if any, on such legacies or gifts, must be included.

(g) Sums received as beneficiaries under life insurance policies. Do not count such sums as part of Nett Income, but any interest or other earnings which such sums may have earned must be included.

(h) The independent income of your wife *if she is "separate as to property"*, according to marriage contract. This is not counted as part of your Nett Income. She must make a separate report or return to the Government if her income is sufficient to render her taxable under the Act. If she is *not* so "separate as to property" her income must be considered as part of yours in calculating your Nett Income, unless she derives it from exempted sources mentioned in these paragraphs.

What expenditures may I deduct from my total income in calculating my Nett Income?

The following expenditures may be deducted in calculating Nett Income:

(a) That part of your income from rents, if you have any, which has been paid out for taxes, insurance, and repairs, and reasonable sum set aside for the annual depreciation of the property.

(b) In the case of a farmer, he may make an exemption from his Income of sums spent in one or all of the following ways:—

(1) The amount actually expended for labor in the preparation of land for crops, and in cultivating, harvesting, and marketing same.

- (2) Cost of seed and fertilizers.
- (3) Cost of labor in caring for livestock.
- (4) Cost of feed.
- (5) Cost of repairs to farm buildings, fences, and machinery.
- (6) Cost of small tools and materials such as binder twine, pitchforks, spades, etc.
- (7) Interest on unpaid purchase price of the farm, farm animals, machinery or equipment—but *not* any Principal payment on such purchase price.

(c) Amounts paid during the year to the Canadian Patriotic and Red Cross Funds, or other similar funds approved by the Minister of Finance, may be deducted from the amount of the taxable income.

What then is my "Nett" Income?

Your Nett Income is your total revenue less the exempted revenues and the deductible expenditures just described.

Knowing now how to calculate my Nett Income, how do I estimate my "4% Normal Taxable Income"?

Set down the amount of your Nett Income.

Next, if you have received any dividends from any Canadian company paying income taxes to the Government, that is, any Canadian company having an income over \$2000, subtract such dividends from your Nett Income.

Now observe if what is left,—or your Nett Income if there are not any such dividends to be subtracted,—is more than \$6,000 or less than \$6,000.

If it is over \$6,000 you must ignore, for the purposes of this 4% Normal Tax which we are discussing in this question, whatever that excess amount may be. In other words, \$6,000 becomes an arbitrary basis of calculation for this 4% Normal Tax. You subtract from it now your Personal Exemption of \$1,000, or \$2,000, or \$2,200, as your case may be (see page 14), and you pay 4% on

the amount thus arrived at. Obviously, the largest sum on which you can pay this 4% Normal Tax is, if you are single, \$5,000 (\$6,000 minus \$1,000 Personal Exemption) or, if you are married, \$4,000, (\$6,000 minus \$2,000 Personal Exemption).

If the sum you had left after deducting from your Nett Income your Canadian dividends, if any, is only \$6,000, or less, the procedure remains the same as in the foregoing paragraph; that is, you deduct from the \$6,000, or whatever sum under that amount it is, your Personal Exemption and you pay the 4% Normal Tax on the sum thus arrived at. That is your "4% Normal Taxable Revenue."

Obviously, if your Nett Income, less Canadian dividends, if any, amounted to \$3,000, and your Personal Exemption was \$2,000, you would pay the 4% Normal Tax on the \$1,000, etc.

But how do I know what my personal exemption is?

Your personal exemption is either \$1,000 or \$2,000, according to the class in which you may stand, with an additional exemption as noted below in paragraph (d). These classes are as follows:—

(a) Unmarried persons and widows or widowers without dependents, \$1,000.

(b) Unmarried persons and widows or widowers with dependents under 18 years of age, or a dependent parent or parents, grandparent or grandparents, \$2,000.

(c) Married persons, \$2,000.

(d) In addition to the above exemptions, any person whether married or single or a widow or widower is entitled to an additional exemption of \$200 for each child under 18 years of age who is dependent on the taxpayer for support.

Note: If a wife have a private income of her own which she does not derive in any way from her husband, and if they are, by their marriage contract, "Separate as to property," the wife may claim personal exemption on her income up to \$2,000. Beyond this figure she is

liable to the same taxes as anyone else. Husband and wife in such a case have between them, but not singly, a total personal exemption of \$4,000. If they are not "separate as to property," the total personal exemption of \$2,000 applies and to the husband only.

This tells me my "4% Normal Taxable Income," now what about the 8% Normal Tax?

In calculating the "4% Normal Taxable Income" you were instructed to deduct from your Nett Income your revenues, if any, from dividends from Canadian companies paying Income Tax.

Do the same once more.

If the result is \$6,000 or less you are not required to pay any 8% Normal Tax. If there is anything over \$6,000, then you must pay 8% on such excess in addition to the 4% Normal Tax on \$6,000. In other words, the two Normal Taxes of 4% and 8% are both based on your Nett Income less certain Canadian dividends, if any: the 8% applying on everything over \$6,000; and the 4% on everything up to or less than \$6,000 *except your Personal Exemption.*

Now, remembering my Nett Income, how shall I calculate my Surtaxable Income?

The Nett Income as figured out according to instructions given under "Your Nett Income" is the amount on which you base the calculation of the Surtax.

For the first \$5,000 of Surtaxable Income there is no Surtax. On the Surtaxable Income between \$5,000 and \$6,000 the Tax is 1%; between \$6,000 and \$8,000 it is 2%; between \$8,000 and \$10,000 it is 3%; between \$10,000 and \$12,000 it is 4%; and so on, as per subsection (b) of Section 4 of the Act, see page 24 of this booklet.

Will an allowance be made for Income Tax paid to other countries?

All income received by residents of Canada from sources within Great Britain has already been taxed at the source at a higher rate than

THE INCOME TAX AND THE INDIVIDUAL

the Canadian Income Tax Act imposes, and therefore all such incomes will not be taxed in Canada when received by a taxpayer in Canada.

You can deduct any tax paid to the United States in respect of income from sources within the United States up to an amount which does not exceed the sum otherwise payable under the Canadian Income Tax Act on such income.

INCOME TAX TABLE

The subjoined table shews the amount of Tax payable by a married man, without dependent children, on various amounts of income, assuming that all such income is taxable. Few people will find the total Tax shown opposite the income to be exactly accurate to their cases, as most will have certain incomes which are wholly or partially exempt from taxation, such as Dominion of Canada tax-exempt bonds, dividends from Canadian companies, etc., etc.

To find the amount of Tax payable by an unmarried man add \$40.00 (4 p.c. on \$1,000) to the total tax shewn opposite the relative amount of income.

Amount of Net Income	Normal Tax Rate Per Cent.	Normal Tax	Super Tax Rate Per Cent.	Super Tax	Total Tax
1,000	none	none	none	none	none
1,500	"	"	"	"	"
2,000	"	"	"	"	"
2,500	4	20	"	"	20
3,000	4	40	"	"	40
4,000	4	80	"	"	80
5,000	4	120	"	"	120
6,000	4	160	1	10	170
8,000	8	320	2	50	370
10,000	8	480	3	110	590
12,000	8	640	4	190	830
14,000	8	800	5	290	1,090
16,000	8	960	6	410	1,370
18,000	8	1,120	7	550	1,670
20,000	8	1,280	8	710	1,990
22,000	8	1,440	9	890	2,330
24,000	8	1,600	10	1,090	2,690
26,000	8	1,760	11	1,310	3,070
28,000	8	1,920	12	1,550	3,470
30,000	8	2,080	13	1,810	3,890
32,000	8	2,240	14	2,090	4,330
34,000	8	2,400	15	2,390	4,790
36,000	8	2,560	16	2,710	5,270
38,000	8	2,720	17	3,050	5,770
40,000	8	2,880	18	3,410	6,290
42,000	8	3,040	19	3,790	6,830
44,000	8	3,200	20	4,190	7,390
46,000	8	3,360	21	4,610	7,970
48,000	8	3,520	22	5,050	8,570
50,000	8	3,680	23	5,510	9,190
52,000	8	3,840	24	5,990	9,830
54,000	8	4,000	25	6,490	10,490
56,000	8	4,160	26	7,010	11,170
58,000	8	4,320	27	7,550	11,870
60,000	8	4,480	28	8,110	12,590
62,000	8	4,640	29	8,690	13,330
64,000	8	4,800	30	9,290	14,090
66,000	8	4,960	31	9,910	14,870
68,000	8	5,120	32	10,550	15,670
70,000	8	5,280	33	11,210	16,490
72,000	8	5,440	34	11,890	17,330
74,000	8	5,600	35	12,590	18,190
76,000	8	5,760	36	13,310	19,070
78,000	8	5,920	37	14,050	19,970
80,000	8	6,080	38	14,810	20,890
82,000	8	6,240	39	15,590	21,830
84,000	8	6,400	40	16,390	22,790
86,000	8	6,560	41	17,210	23,770
88,000	8	6,720	42	18,050	24,770
90,000	8	6,880	43	18,910	25,790
92,000	8	7,040	44	19,790	26,830
94,000	8	7,200	45	20,690	27,890
96,000	8	7,360	46	21,610	28,970
98,000	8	7,520	47	22,550	30,070
100,000	8	7,680	48	23,510	31,190
150,000	8	11,680	52	49,510	61,190
200,000	8	15,680	56	77,510	93,190
300,000	8	23,680	60	137,510	161,190
500,000	8	39,680	63	263,510	303,190
1,000,000	8	79,680	64	583,510	663,190
1,000,000+	65

THE
INCOME WAR TAX ACT
WITH WHICH ARE INCORPORATED THE
AMENDMENTS
of 1918-1919



7-8 GEORGE V.

CHAP. 28

An Act to authorize the levying of a War Tax upon certain incomes.

[Assented to 20th September, 1917.]

(Revised according to amendments made in 1918 and 1919).

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. This Act may be cited as *The Income War Tax Act, 1917*. *Short title*
2. In this Act, and in any regulations made under this Act, unless the context otherwise requires,—*Definitions*
 - (a) "Board" means a Board of Referees appointed under section twelve hereof; *"Board"*
 - (b) "Minister" means the Minister of Finance; *"Minister"*
 - (c) "normal tax" means the tax authorized by paragraph (a) of subsection one of section four of this Act; *"Normal tax"*
 - (d) "person" means any individual or person and any syndicate, trust, association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends; *"Person"*
 - (e) "surtax" means the taxes authorized by paragraph (b) of subsection one of section four of this Act; *"Surtax"*
 - (f) "taxpayer" means any person paying, liable to pay, or believed by the Minister to be liable to pay, any tax imposed by this Act; *"Taxpayer"*
 - (g) "year" means the calendar year; *"Year"*
 - (h) Subsection (h) is repealed;
 - (i) "dependent child" means a child under twenty-one years of age and dependent on his parent for support, or over twenty-one years of age and dependent on his parent for support on account of physical or mental incapacity; *"Dependent child"*
 - (j) "Persons employed in Canada" means all persons who receive, directly or indirectly, salary, wages, commissions, fees or other remuneration derived from sources within Canada for personal services, any part of which is performed in Canada; and *"Persons employed in Canada"*

"Commissioner of taxation"

(k) "Commissioner of Taxation" means the officer appointed by the Governor in Council pursuant to the provisions of this Act, having such powers and performing such duties as are assigned to him by the Governor in Council or by the Minister under the provisions of this Act.

"Income"

3. (1) For the purposes of this Act, "income" means the annual net profit or gain or gratuity, whether ascertained and capable of computation as being wages, salary, or other fixed amount, or unascertained as being fees or emoluments, or as being profits from a trade or commercial or financial or other business or calling, directly or indirectly received by a person from any office or employment, or from any profession or calling, or from any trade manufacture or business, as the case may be, whether derived from sources within Canada or elsewhere, and shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks or from any other investment, and, whether such gains or profits are divided or distributed or not, and also the annual profit or gain from any other source; including the income from but not the value of property acquired by gift, bequest, devise or descent; and including the income from but not the proceeds of life insurance policies paid upon the death of the person insured, or payments made or credited to the insured on life insurance endowment or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender of the contract, and including the salaries, indemnities or other remuneration of members of the Senate and House of Commons of Canada and officers thereof, members of Provincial Legislative Councils and Assemblies and Municipal Councils, Commissions or Boards of Management, any Judge of any Dominion or Provincial Court appointed after the passing of this Act, and of all persons whatsoever whether the said salaries, indemnities or other remuneration are paid out of the revenues of His Majesty in respect of His Government of Canada, or of any province thereof, or by any person, except as provided in section five of this Act, with the following exemptions and deductions:—

Excluded income

Allowance for depreciation and for exhaustion of mines, gas and oil wells, and timber limits

(a) such reasonable amount as the Minister, in his discretion, may allow for depreciation, and the Minister in determining the income derived from mining and from oil and gas wells and timber limits shall make such an allowance for the exhaustion of the mines, wells and timber limits as he may deem just and fair;

Exemption in respect of children

(b) for the purposes of the normal tax only, two hundred dollars for each child under eighteen years of age who is dependent upon the taxpayer for support;

- (c) amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds and other patriotic and war funds approved by the Minister; *War Funds*
 - (d) dividends received by or credited to shareholders of a corporation which is liable to taxation under the provisions of this Act shall not be liable to the normal tax in the hands of the shareholders, but shall be liable to the supertax and surtax provisions of this Act or any amendment thereto. The amount of the exemption from the normal tax to the shareholder shall not exceed the net amount of such dividends after the deduction of the interest or carrying charges, if any, in respect of such dividends; *Dividends from corporations liable to tax*
 - (e) in determining the income no deduction shall be allowed in respect of personal and living expenses, and in cases in which personal and living expenses form part of the profit, gain or remuneration of the taxpayer, the same shall be assessed as income for the purposes of this Act; *Personal and living expenses*
 - (f) deficits or losses sustained in transactions entered into for profit but not connected with the chief business, trade, profession or occupation of the taxpayer shall not be deducted from income derived from the chief business, trade, profession or occupation of the taxpayer in determining his taxable income. *Losses*
- (2) Where an incorporated company conducts its business, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit its shareholders or any of them, or any persons directly or indirectly interested in such company, by selling its product or the goods and commodities in which it deals at less than the fair price which might be obtained therefor, the Minister may, for the purposes of this Act, determine the amount which shall be deemed to be the income of such company for the year, and in determining such amount the Minister shall have regard to the fair price which, but for any agreement, arrangement or understanding, might be or could have been obtained for such product, goods and commodities. *Holding companies*
- (3) In the case of the income of persons residing or having their head office or principal place of business outside of Canada but carrying on business in Canada, either directly or through or in the name of any other person, the income shall be the net profit or gain arising from the business of such person in Canada. *Non-residents*
- (4) The share of a taxpayer in the undivided or undistributed gains and profits of a corporation shall not be deemed to be taxable income of the taxpayer, unless the Minister is of opinion that the accumulation of such undivided and undistributed gains and profits is made for the purpose of evading the tax, and is in excess of what is reasonably required for the purposes of the business. *Undistributed profits of corporations*

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*Dividends
and share-
holders'
bonuses*

(5) Dividends or shareholders' bonuses paid or credited to its shareholders by a corporation on or after the first day of January, one thousand nine hundred and seventeen, shall be taxable as income of the shareholder in the year in which the same are received or credited unless paid exclusively out of a surplus or accumulated profits on hand prior to the first day of January, one thousand nine hundred and seventeen. No dividend or shareholder's bonus shall be deemed to be paid or credited out of surplus or accumulated profits on hand prior to the first day of January, one thousand nine hundred and seventeen, if the earnings of the corporation since the beginning of the accounting period which ended in the year one thousand nine hundred and seventeen are sufficient to provide for the said dividend and other taxable dividends paid or credited since the said date.

*Income
from an
estate*

(6) Income of a beneficiary of an estate shall be deemed to include the amount accruing during each taxation year to which he, his heirs or assigns are entitled from the income of the estate whether distributed or not.

*Money
retained by
employer
for pension,
etc.*

(7) Any part of the remuneration of a taxpayer retained by his employer in connection with an employee's superannuation or pension fund or plan shall be allowed as an exemption or deduction from the income of the taxpayer for income tax purposes, and any payment to an employee out of such fund or plan shall be included as taxable income of the employee.

Tax

4. (1) There shall be assessed, levied and paid upon the income during the preceding year of every person residing in Canada for six months or more of such year or who having been resident in Canada has left Canada with the intention of resuming residence in Canada or who is employed in Canada or is carrying on any business in Canada, except corporations and joint stock companies, the following taxes:

Normal tax

(a) Four per centum

upon all income exceeding one thousand dollars but not exceeding six thousand dollars in the case of unmarried persons and widows or widowers without dependent children, and persons who are not supporting dependent brothers or sisters under the age of eighteen years, or a dependent parent or parents, grandparent or grandparents, and exceeding two thousand dollars but not exceeding six thousand dollars in the case of all other persons, and

Eight per centum upon all income exceeding six thousand dollars.

And in addition thereto the following surtax:

Surtax

(b) One per centum upon the amount by which the income exceeds five thousand dollars and does not exceed six thousand dollars;

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Two per centum upon the amount by which the income exceeds six thousand dollars and does not exceed eight thousand dollars; *Surtax: continued*

Three per centum upon the amount by which the income exceeds eight thousand dollars and does not exceed ten thousand dollars;

Four per centum upon the amount by which the income exceeds ten thousand dollars and does not exceed twelve thousand dollars;

Five per centum upon the amount by which the income exceeds twelve thousand dollars and does not exceed fourteen thousand dollars;

Six per centum upon the amount by which the income exceeds fourteen thousand dollars and does not exceed sixteen thousand dollars;

Seven per centum upon the amount by which the income exceeds sixteen thousand dollars and does not exceed eighteen thousand dollars;

Eight per centum upon the amount by which the income exceeds eighteen thousand dollars and does not exceed twenty thousand dollars;

Nine per centum upon the amount by which the income exceeds twenty thousand dollars and does not exceed twenty-two thousand dollars;

Ten per centum upon the amount by which the income exceeds twenty-two thousand dollars and does not exceed twenty-four thousand dollars;

Eleven per centum upon the amount by which the income exceeds twenty-four thousand dollars and does not exceed twenty-six thousand dollars;

Twelve per centum upon the amount by which the income exceeds twenty-six thousand dollars and does not exceed twenty-eight thousand dollars;

Thirteen per centum upon the amount by which the income exceeds twenty-eight thousand dollars and does not exceed thirty thousand dollars.

Fourteen per centum upon the amount by which the income exceeds thirty thousand dollars and does not exceed thirty-two thousand dollars;

Fifteen per centum upon the amount by which the income exceeds thirty-two thousand dollars and does not exceed thirty-four thousand dollars;

Sixteen per centum upon the amount by which the income exceeds thirty-four thousand dollars and does not exceed thirty-six thousand dollars;

Seventeen per centum upon the amount by which the income exceeds thirty-six thousand dollars and does not exceed thirty-eight thousand dollars;

Eighteen per centum upon the amount by which the income exceeds thirty-eight thousand dollars and does not exceed forty thousand dollars;

Nineteen per centum upon the amount by which the income exceeds forty thousand dollars and does not exceed forty-two thousand dollars;

Twenty per centum upon the amount by which the income exceeds forty-two thousand dollars and does not exceed forty-four thousand dollars;

THE INCOME TAX AND THE INDIVIDUAL

*Surtax:
continued*

Twenty-one per centum upon the amount by which the income exceeds forty-four thousand dollars and does not exceed forty-six thousand dollars;

Twenty-two per centum upon the amount by which the income exceeds forty-six thousand dollars and does not exceed forty-eight thousand dollars;

Twenty-three per centum upon the amount by which the income exceeds forty-eight thousand dollars and does not exceed fifty thousand dollars;

Twenty-four per centum upon the amount by which the income exceeds fifty thousand dollars and does not exceed fifty-two thousand dollars;

Twenty-five per centum upon the amount by which the income exceeds fifty-two thousand dollars and does not exceed fifty-four thousand dollars;

Twenty-six per centum upon the amount by which the income exceeds fifty-four thousand dollars and does not exceed fifty-six thousand dollars;

Twenty-seven per centum upon the amount by which the income exceeds fifty-six thousand dollars and does not exceed fifty-eight thousand dollars;

Twenty-eight per centum upon the amount by which the income exceeds fifty-eight thousand dollars and does not exceed sixty thousand dollars;

Twenty-nine per centum upon the amount by which the income exceeds sixty thousand dollars and does not exceed sixty-two thousand dollars;

Thirty per centum upon the amount by which the income exceeds sixty-two thousand dollars and does not exceed sixty-four thousand dollars;

Thirty-one per centum upon the amount by which the income exceeds sixty-four thousand dollars and does not exceed sixty-six thousand dollars;

Thirty-two per centum upon the amount by which the income exceeds sixty-six thousand dollars and does not exceed sixty-eight thousand dollars;

Thirty-three per centum upon the amount by which the income exceeds sixty-eight thousand dollars and does not exceed seventy thousand dollars;

Thirty-four per centum upon the amount by which the income exceeds seventy thousand dollars and does not exceed seventy-two thousand dollars;

Thirty-five per centum upon the amount by which the income exceeds seventy-two thousand dollars and does not exceed seventy-four thousand dollars;

Thirty-six per centum upon the amount by which the income exceeds seventy-four thousand dollars and does not exceed seventy-six thousand dollars;

Thirty-seven per centum upon the amount by which the income exceeds seventy-six thousand dollars and does not exceed seventy-eight thousand dollars;

Thirty-eight per centum upon the amount by which the income exceeds seventy-eight thousand dollars and does not exceed eighty thousand dollars;

BANK OF MONTREAL

Thirty-nine per centum upon the amount by which the income exceeds eighty thousand dollars and does not exceed eighty-two thousand dollars;

*Surtax:
continued*

Forty per centum upon the amount by which the income exceeds eighty-two thousand dollars and does not exceed eighty-four thousand dollars;

Forty-one per centum upon the amount by which the income exceeds eighty-four thousand dollars and does not exceed eighty-six thousand dollars;

Forty-two per centum upon the amount by which the income exceeds eighty-six thousand dollars and does not exceed eighty-eight thousand dollars;

Forty-three per centum upon the amount by which the income exceeds eighty-eight thousand dollars and does not exceed ninety thousand dollars;

Forty-four per centum upon the amount by which the income exceeds ninety thousand dollars and does not exceed ninety-two thousand dollars;

Forty-five per centum upon the amount by which the income exceeds ninety-two thousand dollars and does not exceed ninety-four thousand dollars;

Forty-six per centum upon the amount by which the income exceeds ninety-four thousand dollars and does not exceed ninety-six thousand dollars;

Forty-seven per centum upon the amount by which the income exceeds ninety-six thousand dollars and does not exceed ninety-eight thousand dollars;

Forty-eight per centum upon the amount by which the income exceeds ninety-eight thousand dollars and does not exceed one hundred thousand dollars;

Fifty-two per centum upon the amount by which the income exceeds one hundred thousand dollars and does not exceed one hundred and fifty thousand dollars;

Fifty-six per centum upon the amount by which the income exceeds one hundred and fifty thousand dollars and does not exceed two hundred thousand dollars;

Sixty per centum upon the amount by which the income exceeds two hundred thousand dollars and does not exceed three hundred thousand dollars;

Sixty-three per centum upon the amount by which the income exceeds three hundred thousand dollars and does not exceed five hundred thousand dollars;

Sixty-four per centum upon the amount by which the income exceeds five hundred thousand dollars and does not exceed one million dollars;

Sixty-five per centum upon the amount by which the income exceeds one million dollars.

(2) Corporations and joint stock companies, no matter how created or organized, shall pay ten per centum upon income exceeding two thousand dollars. Any corporation or joint stock company the fiscal year of which is not the calendar year, shall make a return and have the tax payable by it computed upon its income for its fiscal year ending within the calendar year for which the return is being made.

*Corpora-
tion tax*

THE INCOME TAX AND THE INDIVIDUAL

Partnerships

(3) Any persons carrying on business in partnership shall be liable for the income tax only in their individual capacity; provided, however, that a husband and wife carrying on business together shall not be deemed to be partners for any purpose under this Act. A member of a partnership or the proprietor of a business whose fiscal year is other than the calendar year shall make a return of his income from the business, for the fiscal period ending within the calendar year for which the return is being made, but his return of income derived from sources other than his business shall be made for the calendar year.

Transfer of property to evade taxation

(4) A person who, after the first day of August, 1917, has reduced his income by the transfer or assignment of any real or personal, movable or immovable property, to such person's wife or husband, as the case may be, or to any member of the family of such person, shall, nevertheless, be liable to be taxed as if such transfer or assignment had not been made, unless the Minister is satisfied that such transfer or assignment was not made for the purpose of evading the taxes imposed under this Act or any part thereof.

Deductions allowed from tax

(5) Taxpayers shall be entitled to the following deductions from the amount that would otherwise be payable by them for taxes under the provisions of this Act:—

Payments under Part I Special War Revenue Act, 1915, Business Profits War Tax Act, 1916

(a) the amount paid by such taxpayer for corresponding accounting periods under the provisions of Part I of *The Special War Revenue Act, 1915*, and any amendments thereto, or *The Business Profits War Tax Act, 1916*, and any amendments thereto: Provided, that in computing the taxable income hereunder the taxpayer shall not include any taxes paid under the said Acts in the expenses of his business, and the Minister shall have power to determine any questions that may arise in consequence of any difference in the several periods for which the taxes under the said Acts and under this Act, respectively, are payable, and the decision of the Minister shall be final and conclusive. In the case of a partnership, each partner shall be entitled to deduct such portion of the tax paid by the partnership under *The Business Profits War Tax Act, 1916*, and any amendments thereto, as may correspond to his interest in the income of the partnership: Provided that such deduction shall not affect the liability of the taxpayer to tax hereunder in respect of any income which does not form part of the profits assessed under *The Business Profits War Tax Act, 1916*, but such income shall be assessed for income tax purposes in the same manner as if it were the only income of the taxpayer.

- (b) The amount paid to Great Britain or any of its self-governing colonies or dependencies for income tax in respect of the income of the taxpayer derived from sources therein, and the amount paid to any foreign country for income tax in respect of the income of the taxpayer derived from sources therein, if, and only if, such foreign country in imposing such tax allows a similar credit to persons in receipt of income derived from sources within Canada: Provided, that such deduction shall not at any time exceed the amount of tax which would otherwise be payable under the provisions of section three of chapter twenty-five of the statutes of 1918, or of any amending Act, in respect of the said income derived from sources within Great Britain or any of its self-governing colonies or dependencies or any foreign country; and further provided, that the said deduction shall be allowed only if the taxpayer furnishes evidence satisfactory to the Minister showing the amount of tax paid and the particulars of income derived from sources within Great Britain or any of its self-governing colonies or dependencies or any foreign country.

Income tax paid in any other portion of Empire or in any foreign country

5. The following incomes shall not be liable to taxation hereunder:

Incomes not liable to tax

- (a) the income of the Governor General of Canada;
- (b) the incomes of Consuls and Consuls General who are citizens of the country they represent and who are not engaged in any other business or profession;
- (c) the income of any company, commission or association not less than ninety per cent of the stock or capital of which is owned by a province or a municipality;
- (d) the income of any religious, charitable, agricultural and educational institutions, Boards of Trade and Chambers of Commerce;
- (e) the incomes of labour organizations and societies and of benevolent and fraternal beneficiary societies and orders;
- (f) the incomes of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof, and of life insurance companies except such amount as is credited to shareholders' account;
- (g) the incomes of clubs, societies and associations organized and operated solely for social welfare, civic improvement, pleasure, recreation or other non-profitable purposes, no part of the income of which inures to the benefit of any stockholder or member;
- (h) the incomes of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the Minister;

- (i) the income derived from any bonds or other securities of the Dominion of Canada issued exempt from any income tax imposed in pursuance of any legislation enacted by the Parliament of Canada;
- (j) the military and naval pay of persons who have been on active service overseas during the present war in any of the military or naval forces of His Majesty or any of His Majesty's allies;
- (k) the income of incorporated companies whose business and assets are carried on and situate entirely outside of Canada; and
- (l) Income derived from any pension granted to any member of His Majesty's military, naval or air forces for any disability suffered by the pensioner while serving in any of His Majesty's forces during the war that began in August, one thousand nine hundred and fourteen, and the income derived from any pension granted to any dependent relative of any person who was killed or suffered any disability while serving in the said forces in the said war.

Income from pensions not liable to tax

6. Section six is repealed.

Annual returns

7. (1) Every person liable to taxation under this Act shall, on or before the thirtieth day of April in each year, without any notice or demand, and any person whether liable to taxation hereunder or not, upon receipt of a notice or demand in writing from the Commissioner of Taxation or any officer authorized to make such demand, deliver, to the Minister a return, in such form as the Minister may prescribe, of his total income during the last preceding year. In such return the taxpayer shall state an address in Canada to which all notices and other documents to be mailed or served under this Act may be mailed or sent.

Returns of corporations, etc.

(2) The return in the case of a corporation, association or other body, shall be made and signed by the president, secretary, treasurer or chief agent having a personal knowledge of the affairs of such corporation, association or other body, or, in any case, by such other person or persons employed in the business liable, or believed to be liable to taxation, as the Minister may require.

Return by guardian, legal representative, etc.

(3) If a person is unable for any reason to make the return required by this section, such return shall be made by the guardian, curator, tutor or other legal representative of such person, or if there is no such legal representative, by some one acting as agent for such person, and in the case of the estate of any deceased person, by the executor, administrator or heir of such deceased person, and if there is no person to make a return under the provisions of this subsection, then such person as may be required by the Minister to make such return.

(4) All employers shall make a return of all persons in their employ receiving any salary or other remuneration in excess of such an amount as the Minister may prescribe, and all corporations, associations and syndicates shall make a return of all dividends and bonuses paid to shareholders and members, and all persons in whatever capacity acting, having the control, receipt, disposal or payment of fixed or determinable annual or periodical gains, profits or income of any taxpayer, shall make and render a separate and distinct return to the Minister of such gains, profits or income, containing the name and address of each taxpayer. Such returns shall be delivered to the Minister on or before the thirty-first day of March in each year, without any notice or demand being made therefor, and in such form as the Minister may prescribe.

Returns by employers of salaries and by companies of dividends etc.

(5) The Minister may at any time enlarge the time for making any return.

Enlarging time for returns

(6) Every person required to make a return under subsection one of this section who fails to make a return within the time limited therefor shall be subject to a penalty of twenty-five per centum of the amount of the tax payable, and every other person who is required to make a return under the provisions of this section who fails to do so within the time limited therefor, will be subject to a penalty of ten dollars for each day during which the default continues, and all such penalties shall be assessed and collected from the person liable to make the return in the same manner in which taxes are assessed and collected.

Penalty for not making return

8. (1) If the Minister, in order to enable him to make an assessment, desires further information, or if he suspects that any person who has not made a return is liable to taxation hereunder, he may, by registered letter, require additional information, or a return containing such information as he deems necessary, to be furnished him within thirty days.

Additional information

(2) The Minister may require the production, or the production on oath, by the taxpayer or by his agent or officer, or by any person or partnership holding, or paying, or liable to pay, any portion of the income of any taxpayer, of any letters, accounts, invoices, statements and other documents.

Production of letters, accounts, etc.

(3) Any officer authorized thereto by the Minister may make such inquiry as he may deem necessary for ascertaining the income of any taxpayer, and for the purposes of such inquiry such officer shall have all the powers and authority of a commissioner appointed under Part I of the *Inquiries Act*, Revised Statutes of Canada, 1906, chapter one hundred and four.

Inquiry as to income

(4) If a taxpayer fails or refuses to keep adequate books or accounts for Income Tax purposes, the Minister may require the taxpayer to keep such records and accounts as he may prescribe.

Books of account must be kept

THE INCOME TAX AND THE INDIVIDUAL

Penalty 9. (1) For every default in complying with the provisions of the next preceding section, the taxpayer, and also the person or persons required to make a return, shall each be liable on summary conviction to a penalty of one hundred dollars for each day during which the default continues.

False statements (2) Any person making a false statement in any return or in any information required by the Minister, shall be liable on summary conviction to a penalty not exceeding ten thousand dollars or to six months' imprisonment, or to both fine and imprisonment.

Date of assessment 10. (1) The Minister shall, on or before the thirty-first day of October in each year, or on or before such other date as he may in any case or cases prescribe, determine the several amounts payable for the tax, and shall thereupon send by registered mail a notice of assessment, in such form as the Minister may prescribe, to each taxpayer, notifying him of the amount payable by him for the tax. The tax shall be paid within one month from the date of mailing of the notice of assessment. In default of payment within the said one month from the date of the mailing of the assessment notice, a penalty of five per centum of the amount of such tax shall be added thereto, and thereafter a further penalty of one per centum per month shall be added for each additional month or portion thereof during which the said tax and penalty remain unpaid.

Minister not bound by returns (2) The Minister shall not be bound by any return or information supplied by or on behalf of a taxpayer, and notwithstanding such return or information, or if no return has been made, the Minister may determine the amount of the tax to be paid by any person.

Continuation of liability for tax (3) Any person liable to pay the tax shall continue to be liable, and in case any person so liable shall fail to make a return as required by this Act, or shall make an incorrect or false return, and does not pay the tax in whole or in part, the Minister may at any time assess such person for the tax, or such portion thereof as he may be liable to pay, and may prescribe the time within which any appeals may be made under the provisions of this Act, from the assessment, or from the decision of the Board, and may fix the date of payment of the tax.

Refunds (4) The Minister may refund any tax or penalty wrongfully or illegally assessed and collected, but no refund shall be allowed because of any alleged error in the assessment unless application therefor is made within twelve months of the date of the payment of the tax or penalty.

No bank charges for discount, etc., on cheques for income tax or penalty (5) Any chartered bank of Canada shall receive for deposit, without any charge for discount or commission, any cheque made payable to the Receiver General of Canada in payment of tax or penalty imposed by this Act, whether drawn on the bank re-

ceiving the cheque or on any other chartered bank in Canada.

11. No person employed in the service of His Majesty shall communicate or allow to be communicated to any person not legally entitled thereto, any information obtained under the provisions of this Act, or allow any such person to inspect or have access to any written statement furnished under the provisions of this Act. Any person violating any of the provisions of this section shall be liable on summary conviction to a penalty not exceeding two hundred dollars.

Secrecy

12. (1) The Governor in Council may appoint a Board or Boards of Referees, and may prescribe the territory or district within which a Board shall exercise jurisdiction. A Board shall consist of not more than three members, and the members of a Board shall jointly and severally have all the powers and authority of a commissioner appointed under Part I of the *Inquiries Act*, Revised Statutes of Canada, 1906, chapter one hundred and four.

Board of Referees

(2) Every member of the Board shall take an oath of office in form I of the Schedule to this Act before performing any duty under this Act. All affidavits made in pursuance of this subsection shall be filed with the Minister.

Oath

13. A Board shall act as a Court of Revision, and shall hear and determine any appeal made by a taxpayer under this Act in such place in Canada as the Minister may direct.

Court of Revision

14. Any person objecting to the amount at which he is assessed, or as having been wrongfully assessed, may, personally or by his agent, within twenty days after the date of mailing of the notice of assessment, as provided in section ten of this Act, give notice in writing to the Minister in form II of the Schedule to this Act that he considers himself aggrieved for either of the causes aforesaid, otherwise such person's right to appeal shall cease, and the assessment made shall stand and be valid and binding upon all parties concerned, notwithstanding any defect, error or omission that may have been made therein, or in any proceeding required by this Act or any regulation hereunder: Provided, however, that the Minister, either before or after the expiry of the said twenty days, may give a taxpayer further time in which to appeal.

Notice of appeal

15. (1) A Board, after hearing any evidence adduced, and upon such other inquiry as it considers advisable, shall determine the matter and confirm or amend the assessment accordingly. A Board may increase the assessment in any case before it. The Board shall send a copy of its decision by registered mail to the taxpayer or his agent or officer.

Hearing and decision by Board

(2) In any case where the appeal is unsuccessful, the Board may direct that the person who appealed shall pay the costs or part of the costs of such appeal;

Costs

and if such appeal is successful, a Board may recommend that the costs or any part thereof be paid by the Crown. The tariff of fees shall be as prescribed by the Board.

*Proceeding
ex parte*

16. If the taxpayer fails to appear, either in person or by agent, the Board may proceed *ex parte* or may defer the hearing.

*Appeal to
Exchequer
Court*

17. If the taxpayer is dissatisfied with the decision of a Board, he may, within twenty days after the mailing of the decision, give a written notice to the Minister in form III of the Schedule to this Act that he desires to appeal from such decision. If the taxpayer gives such notice, or if the Minister is dissatisfied with the decision, the Minister shall refer the matter to the Exchequer Court of Canada for hearing and determination, and such reference may be made in form IV of the Schedule to this Act, and he shall notify the taxpayer by registered letter that he has made such reference. On any such reference the Court shall hear and consider such matter upon the papers and evidence referred, and upon any further evidence which the taxpayer or the Crown produces under the direction of the Court, and the decision of Exchequer Court thereon shall be final and conclusive.

*Exclusive
jurisdiction
of Exche-
quer Court*

18. Except as hereinafter expressly provided, the Exchequer Court shall have exclusive jurisdiction to hear and determine all questions that may arise in connection with any proceeding taken under this Act, and may award costs in connection therewith.

*No
assessment
to be set
aside for
technical
reasons*

19. (1) No assessment shall be set aside by a Board or by the Court upon the ground that there has been any error or omission in connection with any proceedings required to be taken under this Act or any regulation hereunder, but such Board or Court in any case that may come before it may determine the true and proper amount of the tax to be paid hereunder.

*Proceed-
ings in
camera*

(2) All the proceedings of the Board and of the Exchequer Court shall be held *in camera* if requested by the taxpayer.

*Tax a debt
due the
Crown*

20. The taxes and all interest and costs assessed or imposed under the provisions of this Act shall be recoverable as a debt due to His Majesty from the person on whom it is assessed or imposed.

*Recovery of
tax, etc.*

21. Any tax, interest, costs or penalty that may be assessed, recovered or imposed under this Act may, at the option of the Minister, be recovered and imposed in the Exchequer Court of Canada or in any other Court of competent jurisdiction in the name of His Majesty.

*Adminis-
tration by
Minister*

22. The Minister shall have the administration of this Act and the control and management of the collection of the taxation levied hereby, and of all matters incident thereto, and of the officers and per-

sons employed in that service. The Minister may make any regulations deemed necessary for carrying this Act into effect, and may thereby authorize the Commissioner of Taxation to exercise such of the powers conferred by this Act upon the Minister, as may, in the opinion of the Minister, be conveniently exercised by the Commissioner of Taxation.

*Regulations
Commissioner of
Taxation to
exercise
authorized
powers*

23. The Governor in Council may from time to time appoint officers and other persons to carry out this Act or any order in council or regulations made thereunder, and the Governor in Council may assign the names of office of such officers and other persons, and grant such salaries or pay for their services and responsibilities as he deems necessary and reasonable, and may appoint the times and manner in which the same shall be paid.

*Appoint-
ment of
officers to
administer
Act, and
their
salaries*

24. The first return to be made by taxpayers under section seven of this Act shall be made on or before the twenty-eighth day of February, one thousand nine hundred and eighteen, and all taxpayers shall (subject to the provisions of subsection two of section four) be liable to taxation in respect of their income for the year ending the thirty-first day of December, one thousand nine hundred and seventeen, and for each year thereafter, as provided by this Act.

*First return
under Act,
Feb. 28,
1918, and
1917 first
year's
income to
be taxed*

SCHEDULE

FORM I.

The Income War Tax Act, 1917.

I,.....make oath
and swear that I will faithfully and honestly fulfil
the duties which devolve upon me as a member of a
Board of Referees under *The Income War Tax Act,*
1917.

Sworn before me this

.....day of
.....A.D., 19....

FORM II.

The Income War Tax Act, 1917.

In the matter of the assessment of.....
To the Minister of Finance,

I hereby give notice that I object to the amount at
which I am assessed for the following reasons:

(*here shortly describe reasons*)

or, I am not liable to taxation under the above Act
for the following reasons:

(*here shortly describe reasons*)

Dated this.....day of.....19..

(Signature).....

FORM III.

The Income War Tax Act, 1917.

In the matter of the assessment of.....
To the Minister of Finance,

I hereby give notice that I am dissatisfied with the
decision given by the Board of Referees in this
matter for the following reasons:

(*here shortly describe reasons*)

and that I desire to appeal to the Exchequer Court of
Canada.

Dated this.....day of....A.D., 19..

(Signature).....

FORM IV.

The Income War Tax Act, 1917.

In the matter of the assessment of.....

By virtue of the powers vested in me in this behalf
under *The Income War Tax Act, 1917,* I hereby refer
the appeal of.....(*or my appeal*)
against the decision of the Board of Referees, to the
Exchequer Court of Canada, for adjudication there-
on, and enclose herewith the said decision and the
other papers relating to the matter.

Dated this.....day of....A.D., 19..
To the Registrar of the

Exchequer Court of Canada.

.....
Minister of Finance.

Bank of Montreal

(ESTABLISHED OVER 100 YEARS)

HEAD OFFICE: MONTREAL

<i>Capital Paid up</i>	<i>\$20,000,000</i>
<i>Rest</i>	<i>\$20,000,000</i>
<i>Total Assets over</i>	<i>\$500,000,000</i>

• •

BOARD OF DIRECTORS

Sir VINCENT MEREDITH, BART., *President*

Sir CHARLES GORDON, G.B.E., *Vice-President*

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General Manager

• •

BRANCHES

CANADA
AND
NEWFOUNDLAND

The Bank has offices located in all of the principal cities and towns

GREAT BRITAIN

LONDON { 47 Threadneedle Street, E.C.
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FRANCE

PARIS: Bank of Montreal (France), 17 Place Vendome

UNITED STATES

NEW YORK: New York Agency, 64 Wall Street

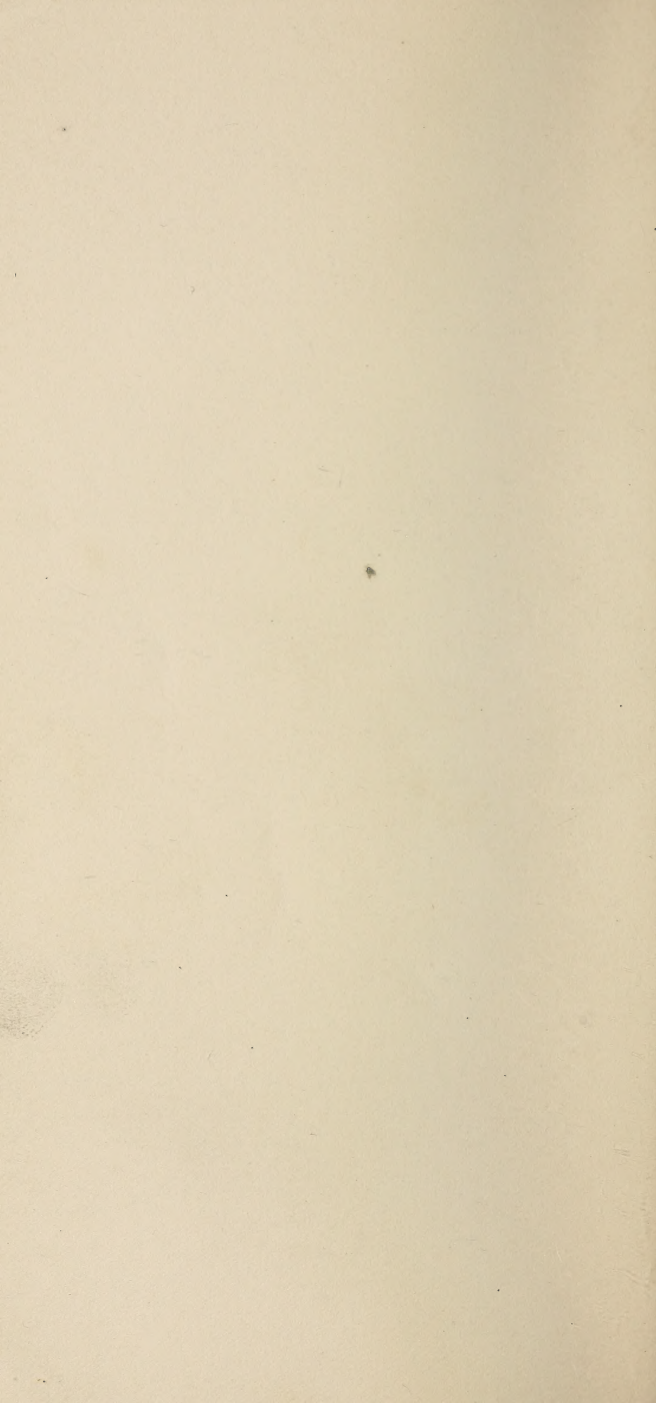
CHICAGO: 27-29 South LaSalle Street


SPOKANE, WASH.: Bank of Montreal

SAN FRANCISCO: British American Bank (owned and controlled by
the Bank of Montreal)

MEXICO

CITY OF MEXICO: Bank of Montreal



The Customer and his Bank
should be on intimate and friendly terms.  **The Bank of Montreal** is always glad to give to its customers the benefit of its financial experience and knowledge.